

Form **990****Return of Organization Exempt From Income Tax**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

OMB No. 1545-0047

2008**Open to Public Inspection**Department of the Treasury
Internal Revenue Service

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2008 calendar year, or tax year beginning

, 2008, and ending

, 20

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization: SUTTER EAST BAY HOSPITALS Doing Business As: Number and street (or P.O. box if mail is not delivered to street address) Room/suite 3012 SUMMIT STREET, 3RD FLOOR City or town, state or country, and ZIP + 4 OAKLAND, CA 94609	D Employer identification number 94-1196176 E Telephone number (916) 286-6665
	F Name and address of principal officer: WARREN KIRK 3012 SUMMIT STREET, 3RD FLOOR OAKLAND, CA 94609	G Gross receipts \$ 1,018,157,815 H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions)
	I Tax-exempt status: <input checked="" type="checkbox"/> 501(c) (3) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527	H(c) Group exemption number: ▶
	J Website: ▶ WWW.SUTTERHEALTH.ORG	
K Type of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶	L Year of formation: 1936	M State of legal domicile: CA

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: SEE SCHEDULE O			
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets.			
	3	Number of voting members of the governing body (Part VI, line 1a)	3	23	
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	16	
	5	Total number of employees (Part V, line 2a)	5	5,666	
	6	Total number of volunteers (estimate if necessary)	6	440	
	Revenue	7a	Total gross unrelated business revenue from Part VIII, line 12, column (D)	7a	870,296
7b		Net unrelated business taxable income from Form 990-T, line 34	7b	-206,171	
8		Contribution and grants (Part VIII, line 1h)	Prior Year	Current Year	
9		Program service revenue (Part VIII, line 2g)	11,969,662	10,265,165	
10		Investment income (Part VIII, column (A), lines 3, 4, and 7d)	942,702,893	992,004,075	
11		Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	3,706,033	2,577,981	
12		Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	7,198,449	7,461,394	
13		Grants and similar amounts paid (Part IX, column (A), lines 1-3)	965,577,037	1,012,308,615	
Expenses		14	Benefits paid to or for members (Part IX, column (A), line 4)	754,996	824,423
		15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	NONE	NONE
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	413,644,937	478,221,468	
	16b	Total fundraising expenses, Part IX, column (D), line 25 ▶	NONE	NONE	
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	459,588,310	446,369,893	
	18	Total expenses: Add lines 13-17 (must equal Part IX, column (A), line 25)	873,988,243	925,415,789	
	19	Revenue less expenses: Subtract line 18 from line 12	91,588,794	86,892,826	
	Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Year	End of Year
21		Total liabilities (Part X, line 26)	540,946,324	511,798,449	
22		Net assets or fund balances: Subtract line 21 from line 20	296,795,557	311,030,279	
			244,150,767	200,768,170	

Part II Signature Block

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.			
	Signature of officer		Date	
Paid Preparer's Use Only	Type or print name and title			
	Preparer's signature	Date	Check if self-employed	Preparer's identifying number (see instructions)
	<i>[Signature]</i>	11-5-09	<input type="checkbox"/>	P00043433
	Firm's name (or yours if self-employed), address, and ZIP + 4	EIN	Phone no.	
	ERNST & YOUNG U.S. LLP	34-6565596	916-218-1900	
	2901 DOUGLAS BLVD., SUITE 300 ROSEVILLE, CA 95661			

May the IRS discuss this return with the preparer shown above? (See instructions)

☒ Yes ☐ No

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2008)

JSA
8E1010 2.000

53157K 4019

Part III Statement of Program Service Accomplishments (see instructions)

1 Briefly describe the organization's mission:

SEE SCHEDULE O

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses.

Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported:

4a (Code:) (Expenses \$ 879,511,861 including grants of \$ 824,423) (Revenue \$ 996,098,740)
SEE SCHEDULE O

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services. (Describe in Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ▶ \$ 879,511,861. (Must equal Part IX, Line 25, column (B).)

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1	X
2 Is the organization required to complete Schedule B, Schedule of Contributors?	2	X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II	4	X
5 Sections 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III	5	
6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6	X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7	X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9	X
10 Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V	10	X
11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable	11	X
12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If "Yes," complete Schedule D, Parts XI, XII, and XIII	12	X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	X
14a Did the organization maintain an office, employees, or agents outside of the U.S.?	14a	X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? If "Yes," complete Schedule F, Part I	14b	X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II	15	X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III	16	X
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I	17	X
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	X
19 Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	X
20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H	20	X
21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	X
22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	X
23 Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J	23	X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25	24a	X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	X
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	X
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	X
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a	X
b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If "Yes," complete Schedule L, Part I	25b	X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26	X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If "Yes," complete Schedule L, Part III	27	X

Part IV Checklist of Required Schedules (continued)

	Yes	No
28 During the tax year, did any person who is a current or former officer, director, trustee, or key employee:		
a Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? If "Yes," complete Schedule L, Part IV		X
b Have a family member who had a direct or indirect business relationship with the organization? If "Yes," complete Schedule L, Part IV	X	
c Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? If "Yes," complete Schedule L, Part IV	X	
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		X
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	X	
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	X	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		X

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Part V Statements Regarding Other IRS Filings and Tax Compliance

	Yes	No
1a Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable.	1a	931
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b	NONE
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	X
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	2a	5,666
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b	X
Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)		
3a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a	X
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b	X
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	X
b If "Yes," enter the name of the foreign country: <u>See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.</u>		
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	X
c If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5c	
6a Did the organization solicit any contributions that were not tax deductible?	6a	X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7 Organizations that may receive deductible contributions under section 170(c).		
a Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75?	7a	X
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	X
d If "Yes," indicate the number of Forms 8282 filed during the year.	7d	
e Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	X
g For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g	
h For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h	
8 Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8	
9 Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.		
a Did the organization make any taxable distributions under section 4966?	9a	
b Did the organization make a distribution to a donor, donor advisor, or related person?	9b	
10 Section 501(c)(7) organizations. Enter:		
a Initiation fees and capital contributions included on Part VIII, line 12	10a	
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11 Section 501(c)(12) organizations. Enter:		
a Gross income from members or shareholders	11a	
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	

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Part VI Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)**Section A. Governing Body and Management**

For each "Yes" response to lines 2-7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, process, or changes in Schedule O. See instructions.

	Yes	No
1a Enter the number of voting members of the governing body	1a	23
b Enter the number of voting members that are independent	1b	16
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	X
4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4	X
5 Did the organization become aware during the year of a material diversion of the organization's assets?	5	X
6 Does the organization have members or stockholders?	6	X
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a	X
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b	X
8 Did the organizations contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	8a	X
b Each committee with authority to act on behalf of the governing body?	8b	X
9a Does the organization have local chapters, branches, or affiliates?	9a	X
b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	9b	
10 Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	10	X
11 Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	11	X

Section B. Policies

	Yes	No
12a Does the organization have a written conflict of interest policy? If "No," go to line 13	12a	X
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c	X
13 Does the organization have a written whistleblower policy?	13	X
14 Does the organization have a written document retention and destruction policy?	14	X
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision:		
a The organization's CEO, Executive Director, or top management official?	15a	X
b Other officers or key employees of the organization?	15b	X
Describe the process in Schedule O. (see instructions)		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	X
b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b	X

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed CA
- 18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
☐ Own website ☒ Another's website ☒ Upon request
- 19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
- 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: TERESA HO 3012 SUMMIT STREET, 3RD FLOOR OAKLAND, CA 94609

510-869-8284

Part VIII Statement of Revenue

94-1196176

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d	10,265,165.			
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f				
	g	Noncash contributions included in lines 1a-1f: \$					
	h	Total. Add lines 1a-1f		10,265,165.			
Program Service Revenue	2a	PATIENT SERVICE REVENUE	Business Code: 900099	984,790,970.	984,790,970.		
	b	ALTA CT SERVICES	900099	996,137.	996,137.		
	c	MAGNETIC IMAGING AFFILIATES (MIA)	900099	1,861,093.	1,861,093.		
	d	MIA GUARANTEED PAYMENTS	900099	165,596.	165,596.		
	e	EYEMD LASER CENTER, LP	900099	31,163.	31,163.		
	f	All other program service revenue	900099	4,159,116.	4,159,116.		
	g	Total. Add lines 2a-2f		992,004,075.			
	3	Investment income (including dividends, interest, and other similar amounts)		2,383,329.			2,383,329.
4	Income from investment of tax-exempt bond proceeds		NONE				
5	Royalties		NONE				
Other Revenue	6a	Gross Rents	(i) Real 8,035,928.				
	b	Less: rental expenses	(ii) Personal 5,539,495.				
	c	Rental income or (loss)					
	d	Net rental income or (loss)		2,496,433.		2,496,433.	
	7a	Gross amount from sales of assets other than inventory	(i) Securities (ii) Other 504,357.				
	b	Less: cost or other basis and sales expenses		309,705.			
	c	Gain or (loss)		194,652.		194,652.	
	d	Net gain or (loss)		194,652.		194,652.	
	8a	Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18.	a				
	b	Less: direct expenses	b				
	c	Net income or (loss) from fundraising events		NONE			
	9a	Gross income from gaming activities. See Part IV, line 19.	a				
	b	Less: direct expenses	b				
	c	Net income or (loss) from gaming activities		NONE			
	10a	Gross sales of inventory, less returns and allowances	a				
	b	Less: cost of goods sold	b				
	c	Net income or (loss) from sales of inventory		NONE			
	Miscellaneous Revenue		Business Code				
11a	UBI - LABORATORY	621500	397,475.		397,475.		
b	UBI - STEM CELL SVCS	541900	173,290.		173,290.		
c	UBI - VOLUNTEERS IN UNIFORM	900099	149,644.		149,644.		
d	All other revenue	541610	4,244,552.	4,094,665.	149,887.		
e	Total. Add lines 11a-11d		4,964,961.				
12	Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e		1,012,308,615.	996,098,740.	870,296.	5,074,414.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21	824,423.	824,423.		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	NONE	NONE		
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	NONE	NONE		
4 Benefits paid to or for members	NONE	NONE		
5 Compensation of current officers, directors, trustees, and key employees	3,274,866.	NONE	3,274,866.	NONE
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	NONE	NONE	NONE	NONE
7 Other salaries and wages	297,469,224.	294,875,241.	2,613,983.	NONE
8 Pension plan contributions (include section 401 (k) and section 403(b) employer contributions)	NONE	NONE	NONE	NONE
9 Other employee benefits	162,424,135.	160,569,678.	1,854,457.	NONE
10 Payroll taxes	15,033,243.	14,959,394.	73,849.	NONE
11 Fees for services (non-employees):				
a Management	31,716,598.	31,120,004.	596,594.	NONE
b Legal	3,471,858.	1,574,971.	1,896,887.	NONE
c Accounting	58,321.	33,197.	25,124.	NONE
d Lobbying	NONE	NONE	NONE	NONE
e Professional fundraising services. See Part IV, line 17	NONE			NONE
f Investment management fees	204,927.	NONE	204,927.	NONE
g Other	37,697,622.	37,086,160.	611,462.	NONE
12 Advertising and promotion	1,044,178.	5,531.	1,038,647.	NONE
13 Office expenses	118,121,399.	116,771,091.	1,350,308.	NONE
14 Information technology	5,768,945.	NONE	5,768,945.	NONE
15 Royalties	NONE	NONE	NONE	NONE
16 Occupancy	4,349,755.	4,334,167.	15,588.	NONE
17 Travel	546,049.	508,140.	37,909.	NONE
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	NONE	NONE	NONE	NONE
19 Conferences, conventions, and meetings	187,909.	175,360.	12,549.	NONE
20 Interest	9,676,905.	9,676,905.	NONE	NONE
21 Payments to affiliates	719,993.	326,543.	393,450.	NONE
22 Depreciation, depletion, and amortization	34,938,254.	34,925,081.	13,173.	NONE
23 Insurance	8,340,005.	7,355,773.	984,232.	NONE
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a PURCHASED SERVICES	124,475,325.	119,703,847.	4,771,478.	NONE
b BAD DEBT EXPENSE	25,853,063.	25,853,063.	NONE	NONE
c SYSTEM ALLOCATION FEES	14,339,462.	NONE	14,339,462.	NONE
d UTILITIES	10,658,870.	10,584,952.	73,918.	NONE
e REPAIRS & MAINTENANCE	7,062,088.	7,062,088.	NONE	NONE
f All other expenses	7,138,372.	1,186,252.	5,952,120.	NONE
25 Total functional expenses. Add lines 1 through 24f	925,415,789.	879,511,861.	45,903,928.	NONE
26 Joint Costs. Check here <input type="checkbox"/> If following SOP 98-2: Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing		1	
	2 Savings and temporary cash investments	33,891,681.	2	1,821,869.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	136,364,902.	4	151,842,719.
	5 Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sales or use	9,670,367.	8	11,150,531.
	9 Prepaid expenses and deferred charges	1,842,272.	9	2,105,144.
	10a Land, buildings, and equipment, cost basis	10a 875,863,044.		
	b Less: accumulated depreciation. Complete Part VI of Schedule D	10b 602,939,645.		
		269,442,816.	10c	272,923,399.
	11 Investments - publicly traded securities	27,058,441.	11	7,423,763.
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11	19,756,827.	13	22,454,629.
	14 Intangible assets		14	
15 Other assets. See Part IV, line 11	42,919,018.	15	42,076,395.	
16 Total assets. Add lines 1 through 15 (must equal line 34)	540,946,324.	16	511,798,449.	
Liabilities	17 Accounts payable and accrued expenses	78,392,809.	17	104,430,622.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities	187,723,990.	20	182,686,066.
	21 Escrow account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties. See Part 2	131,545.	23	51,830.
	24 Unsecured notes and loans payable		24	
	25 Other liabilities. Complete Part X of Schedule D	30,547,213.	25	23,861,761.
	26 Total liabilities. Add lines 17 through 25	296,795,557.	26	311,030,279.
Net Assets or Fund Balances	27 Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	28 Unrestricted net assets	241,235,456.	27	198,497,863.
	29 Temporarily restricted net assets	159,325.	28	-485,679.
	30 Permanently restricted net assets	2,755,986.	29	2,755,986.
	31 Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	32 Capital stock or trust principal, or current funds		30	
	33 Paid-in or capital surplus, or land, building, or equipment fund		31	
	34 Retained earnings, endowment, accumulated income, or other funds		32	
	35 Total net assets or fund balances	244,150,767.	33	200,768,170.
	36 Total liabilities and net assets/fund balances	540,946,324.	34	511,798,449.

Part XI Financial Statements and Reporting

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a	X
b	Were the organization's financial statements audited by an independent accountant?	2b	X
c	If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	
b	If "Yes," did the organization undergo the required audit or audits?	3b	

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1-3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (See instructions.)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2007 Schedule A, Part IV-A, line 28f	15	%
16a 33 1/3% support test - 2008. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
b 33 1/3% support test - 2007. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
17a 10%-facts-and-circumstances test - 2008. If the organization did not check a box on line 13, 16a or 16b, and line 14 is 10% or more, and if the organization meets the "fact-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
b 10%-facts-and-circumstances test - 2007. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions	<input type="checkbox"/>	

Part III Support Schedule for Organizations Described in Section 509(a)(2)
 (Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1-5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000						
c Add lines 7a and 7b.						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets. (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here. <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2007 Schedule A, Part IV-A, line 27h	18	%
19a 33 1/3% support tests - 2008. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
b 33 1/3% support tests - 2007. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions <input type="checkbox"/>		

Part IV **Supplemental Information.** Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. (see instructions)

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

OMB No. 1545-0047

2008

Open to Public Inspection

Name of the organization
SUTTER EAST BAY HOSPITALS

Employer identification number

94-1196176

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts:
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? <input type="checkbox"/> Yes <input type="checkbox"/> No		
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit? <input type="checkbox"/> Yes <input type="checkbox"/> No		

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or pleasure)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶

4 Number of states where property subject to conservation easement is located ▶

5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ▶

7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ▶ \$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide in Part XIV the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ▶ \$

(ii) Assets included in Form 990, Part X ▶ \$

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ▶ \$

b Assets included in Form 990, Part X ▶ \$

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) 2008

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a ☐ Public exhibition d ☐ Loan or exchange programs
 b ☐ Scholarly research e ☐ Other _____
 c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Trust, Escrow and Custodial Arrangements. Complete if organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current Year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	2,755,986.				
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	2,755,986.				

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment ☒ NONE %
 b Permanent endowment ☒ 100.0000 %
 c Term endowment ☒ NONE %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

	Yes	No
(i) unrelated organizations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(ii) related organizations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Investments - Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land		29,110,500.		29,110,500.
b Buildings		544,465,743.	404,303,659.	140,162,084.
c Leasehold improvements		3,286,219.	2,829,747.	456,472.
d Equipment		260,968,011.	191,558,915.	69,409,096.
e Other		38,032,571.	4,247,324.	33,785,247.
Total. Add lines 1a-1e. (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				272,923,399.

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
Financial derivatives and other financial products		
Closely-held equity interests		
Other _____		

Total. (Column (b) should equal Form 990, Part X, col. (B) line 12.) ▶		

Part VIII Investments - Program Related. See Form 990, Part X, line 13.[illegible]**Part IX** Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
UNAMORTIZED FINANCING COSTS	665,298.
INTERCOMPANY RECEIVABLES	6,536,805.
OTHER RECEIVABLES	3,126,310.
GOODWILL	3,246,128.
OTHER ASSETS	28,501,854.
Total. (Column (b) should equal Form 990, Part X, col. (B) line 15.)	42,076,395.

Part X Other Liabilities. See Form 990, Part X, line 25.

(a) Description of liability	(b) Amount
Federal income taxes	
INSURANCE LIABILITIES	5,613,792.
OTHER LIABILITIES	18,247,969.
Total. (Column (b) should equal Form 990, Part X, col. (B) line 25.)	23,861,761.

In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48.

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net). Add lines 4-8	9	
10	Excess or (deficit) for the year per financial statements. Combine lines 3 and 9	10	

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total revenue. Add lines 3 and 4c. (This should equal Form 990, Part I, line 12.)	5	

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Losses reported on Form 990, Part IX, line 25	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses. Add lines 3 and 4c. (This should equal Form 990, Part I, line 18.)	5	

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b.

SEE PAGE 5

Part XIV Supplemental Information (continued)

THE INTENDED USES OF THE ORGANIZATION'S ENDOWMENT FUNDS

PART V, LINE 4

RESTRICTED PURPOSE: THIS FUND WAS DONATED BY SISTER GARCELN OF SAMUEL
MERRIT IN THE 1900'S FOR PEOPLE WHO ARE NOT INSURED BUT WITH MEANS.

FIN48 FOOTNOTE FROM AUDIT

PART XIV

IN JUNE 2006, THE FASB ISSUED INTERPRETATION NO. 48, ACCOUNTING FOR
UNCERTAINTY IN INCOME TAXES (FIN 48). FIN 48 CLARIFIES THE ACCOUNTING
FOR UNCERTAINTY IN INCOME TAXES RECOGNIZED IN FINANCIAL STATEMENTS IN
ACCORDANCE WITH FASB STATEMENT NO. 109, ACCOUNTING FOR INCOME TAXES. FIN
48 PRESCRIBES A RECOGNITION THRESHOLD AND MEASUREMENT ATTRIBUTE FOR THE
FINANCIAL STATEMENT RECOGNITION AND MEASUREMENT OF A TAX POSITION TAKEN
OR EXPECTED TO BE TAKEN IN A TAX RETURN AND PROVIDES GUIDANCE ON
DERECOGNITION, CLASSIFICATION, INTEREST AND PENALTIES, ACCOUNTING IN
INTERIM PERIODS, DISCLOSURE, AND TRANSITION. FIN 48 WAS ADOPTED BY
SUTTER IN 2007 AND ITS ADOPTION DID NOT HAVE A MATERIAL EFFECT ON
SUTTER'S COMBINED FINANCIAL POSITION OR RESULTS OF OPERATIONS.

SCHEDULE H
(Form 990)

Hospitals

OMB No. 1545-0047

2008

Open to Public Inspection

Department of the Treasury
Internal Revenue Service
Name of the organization

► To be completed by organizations that answer "Yes" to Form 990,

Part IV, line 20.

► Attach to Form 990.

Employer identification number

SUTTER EAST BAY HOSPITALS

94-1196176

Part I Charity Care and Certain Other Community Benefits at Cost (Optional for 2008)

	Yes	No
1a Does the organization have a charity care policy? If "No," skip to question 6a	1a	
b If "Yes," is it a written policy?	1b	
2 If the organization has multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals.		
<input type="checkbox"/> Applied uniformly to all hospitals		
<input type="checkbox"/> Applied uniformly to most hospitals		
<input type="checkbox"/> Generally tailored to individual hospitals		
3 Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients.		
a Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing free care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for free care:	3a	
<input type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input type="checkbox"/> Other _____ %		
b Does the organization use FPG to determine eligibility for providing discounted care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care:	3b	
<input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ %		
c If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care.	4	
4 Does the organization's policy provide free or discounted care to the "medically indigent"?	5a	
5a Does the organization budget amounts for free or discounted care provided under its charity care policy?	5b	
b If "Yes," did the organization's charity care expenses exceed the budgeted amount?	5c	
c If "Yes" to 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	6a	
6a Does the organization prepare an annual community benefit report?	6b	
b If "Yes," does the organization make it available to the public?		

Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H.

7 Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheets 1 and 2)						
b Unreimbursed Medicaid (from Worksheet 3, column a)						
c Unreimbursed costs - other means-tested government programs (from Worksheet 3, column b)						
d Total Charity Care and Means-Tested Government Programs						
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)						
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)						
j Total Other Benefits						
k Total (line 7d and 7j)						

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule H (Form 990) 2008

Part I Community Building Activities Complete this table if the organization conducted any community building activities. (Optional for 2008)

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support						
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy						
8 Workforce development						
9 Other						
10 Total						

Part III Bad Debt, Medicare, & Collection Practices (Optional for 2008)

Section A. Bad Debt Expense

	Yes	No
1 Does the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?		
2 Enter the amount of the organization's bad debt expense (at cost)		
3 Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy		
4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, or rationale for including other bad debt amounts in community benefit.		

Section B. Medicare

5 Enter total revenue received from Medicare (including DSH and IME)	5	
6 Enter Medicare allowable costs of care relating to payments on line 5	6	
7 Enter line 5 less line 6 - surplus or (shortfall)	7	
8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit and the costing methodology or source used to determine the amount reported on line 6, and indicate which of the following methods was used: <input type="checkbox"/> Cost accounting system <input type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		

Section C. Collection Practices

9a Does the organization have a written debt collection policy?	9a	
b If "Yes," does the organization's collection policy contain provisions on the collection practices to be followed for patients who are known to qualify for charity care or financial assistance? Describe in Part VI.	9b	

Part IV Management Companies and Joint Ventures (Optional for 2008)

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				

Part VI Supplemental Information (Optional for 2008)

Complete this part to provide the following information.

- 1 Provide the description required for Part I, line 3c; Part I, line 6a; Part I, line 7g; Part I, line 7, column (f); Part I, line 7; Part III, line 4; Part III, line 8; Part III, line 9b, and Part V, See Instructions.
- 2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves.
- 3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's charity care policy.
- 4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 **Community building activities.** Describe how the organization's community building activities, as reported in Part II, promote the health of the communities the organization serves.
- 6 Provide any other information important to describing how the organization's hospitals or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 7 If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 8 If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

Open to Public Inspection

Name of the organization

Employer Identification number

94-1196176

Part II **Grants and Other Assistance to Governments and Organizations in the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed.

2	Enter total number of section 501(c)(3) and government organizations	3
3	Enter total number of other organizations	NONE

Schedule 1 (Form 990) 2008

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22.
Use Schedule I-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

PROCEDURES FOR MONITORING THE USE OF GRANT FUNDS

PART I, LINE 2

PURPOSE

IN FULFILMENT OF OUR MISSION STATEMENT, ALTA BATES SUMMIT AIMS TO

"ENHANCE THE WELL-BEING OF THE PEOPLE IN THE COMMUNITIES WE SERVE

THROUGH COMPASSION AND EXCELLENCE. TO THAT END, ALTA BATES SUMMIT

MEDICAL CENTER MAINTAINS A COMMUNITY CONTRIBUTIONS PROGRAM. A BUDGET IS

ESTABLISHED EACH YEAR AND IS OVERSEEN BY THE COMMUNITY RELATIONS

DEPARTMENT. THE GOAL OF THE PROGRAM IS TO SUPPORT THOSE COMMUNITY-BASED

ORGANIZATIONS THAT SHARE A SIMILAR MISSION AS ALTA BATES SUMMIT.

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22.
Use Schedule I-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

ELIGIBILITY REQUIREMENTS

PROJECTS OR ORGANIZATIONS WISHING TO OBTAIN SUPPORT FROM ALTA BATES

SUMMIT COMMUNITY CONTRIBUTIONS PROGRAM MUST:

BE A TAX-EXEMPT 501(C)3 NON-PROFIT ORGANIZATION OR PUBLIC ENTITY;

* BE LOCATED IN THE EAST BAY AND SERVE ITS POPULATIONS;

* PROVIDE SERVICES RELATED TO HEALTH AND HUMAN SERVICES

* PREFERABLY BE ORGANIZATIONS THAT HAVE A RELATIONSHIP WITH ALTA BATES

SUMMIT EMPLOYEES, PHYSICIANS, VOLUNTEERS AND BOARD MEMBERS

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22.
Use Schedule I-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

AREA OF FOCUS

* HEALTH

* EDUCATION

* CIVIC AND COMMUNITY RELATIONS

* CULTURE AND THE ARTS

TYPE OF SUPPORT

* FINANCIAL

* TECHNICAL SUPPORT

* EQUIPMENT/SUPPLIES DONATION OR OTHER IN-KIND DONATIONS

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22.
Use Schedule I-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

REQUEST PROCESS

ALL REQUESTS MUST BE MADE IN WRITING AND DIRECTED TO THE COMMUNITY

RELATIONS DEPARTMENT AT LEAST 6 WEEKS PRIOR TO WHEN FUNDING IS NEEDED.

ALTA BATES SUMMIT MEDICAL CENTER DOES NOT FUND REQUESTS FOR

* INDIVIDUALS

* POLITICAL CONTRIBUTIONS

* SPORTS TEAMS OR INDIVIDUALS PARTICIPATING IN A SPORTING EVENT

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22.
Use Schedule I-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

THE SUTTER HEALTH SYSTEM HAS AN OVERLAP IN LEADERSHIP WHICH MONITORS THE
USE OF GRANTS BETWEEN AFFILIATES.

SCHEDULE J
(Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, line 23.

OMB No. 1545-0047

2008

Open to Public Inspection

Name of the organization

SUTTER EAST BAY HOSPITALS

Employer identification number

94-1196176

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|---|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input checked="" type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input checked="" type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

b If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain.

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

- | | |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a:

- a** Receive a severance payment or change of control payment?
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c** Participate in, or receive payment from, an equity-based compensation arrangement?
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only 501(c)(3) and 501(c)(4) organizations must complete lines 5-8.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?
- b** Any related organization?
- If "Yes" to line 5a or 5b, describe in Part III.

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?
- b** Any related organization?
- If "Yes" to line 6a or 6b, describe in Part III.

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III.

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III.

	Yes	No
1b	X	
2	X	
4a		X
4b	X	
4c		X
5a		X
5b		X
6a		X
6b		X
7	X	
8		X

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2008

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
VIKI L ARDITO	(i)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
	(ii)	277,933.	36,300.	503.	81,960.	18,635.	415,331.	16,012.
JOAN BECHTEL	(i)	221,635.	NONE	NONE	9,442.	19,068.	250,145.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
MARK W BEITING	(i)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
	(ii)	277,280.	36,700.	7,365.	81,560.	18,541.	421,446.	12,529.
ED BERDICK	(i)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
	(ii)	708,910.	110,600.	15,263.	478,077.	19,939.	1,332,789.	NONE
TONI BRAYER MD	(i)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
	(ii)	380,450.	52,100.	1,203.	99,495.	18,697.	551,945.	20,028.
GERI DECOITO	(i)	222,476.	NONE	NONE	9,477.	28,375.	260,328.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
JOHN GENTILE	(i)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
	(ii)	381,292.	50,400.	10,720.	109,695.	18,628.	570,735.	31,285.
GLORIA B HARMON	(i)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
	(ii)	208,207.	26,900.	3,226.	59,150.	13,380.	310,863.	7,126.
WARREN KIRK	(i)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
	(ii)	573,047.	91,200.	10,039.	304,706.	21,929.	1,000,921.	49,665.
ZULFIKARALI LALANI	(i)	235,450.	NONE	NONE	9,805.	28,394.	273,649.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
LENA LAMEL	(i)	217,983.	NONE	NONE	9,286.	29,401.	256,670.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
ROBERT PETRINA	(i)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
	(ii)	395,594.	50,400.	819.	113,095.	13,664.	573,572.	23,043.
CATHERINE A ROSE	(i)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
	(ii)	248,908.	33,300.	893.	74,060.	6,974.	364,135.	11,068.
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

RELEVANT INFORMATION REGARDING COMPENSATION ITEMS

PART I, QUESTION 1A

TRAVEL FOR COMPANIONS: OFFICERS AND KEY EMPLOYEES PAID BY SUTTER HEALTH

ARE ELIGIBLE TO BRING A COMPANION ON ONE BUSINESS TRIP PER CALENDAR YEAR

AND HAVE THE COST OF THE AIRFARE AND MEALS PAID FOR BY SUTTER HEALTH. THE

COST IS ADDED TO EMPLOYEE'S WAGES.

TAX INDEMNIFICATION: STANDARD POLICY FOR ALL SUTTER HEALTH EMPLOYEES IS

THAT NON-CASH GIFTS AND AWARDS ARE GROSSED-UP FOR TAX PURPOSES. THE

AMOUNT OF THE GROSS-UP IS ADDED TO THE EMPLOYEE'S WAGES.

SUPPLEMENTAL COMPENSATION INFORMATION

PART I, QUESTION 3

THE CEO OF THE ORGANIZATION IS AN EMPLOYEE OF SUTTER HEALTH. THE

COMPENSATION COMMITTEE OF THE SUTTER HEALTH BOARD OF DIRECTORS RETAINS

ULTIMATE DISCRETIONARY AUTHORITY OVER ALL ELEMENTS OF COMPENSATION TO

ASSURE THAT ORGANIZATIONAL PURPOSES ARE APPROPRIATELY BEING SERVED. THE

COMPENSATION COMMITTEE USES CREDIBLE DATA SOURCES AND MAINTAINS AN

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

OBJECTIVE "ARMS LENGTH" DECISION-MAKING PROCESS, ENSURING THE INTEGRITY

OF SUTTER'S EXECUTIVE PROGRAMS AND CONSISTENCY WITH THE ORGANIZATION'S

OVERALL MISSION.

NONQUALIFIED RETIREMENT PLAN

PART I, QUESTION 4B

THE PURPOSE OF THE NONQUALIFIED RETIREMENT PLAN IS TO PROVIDE ADDITIONAL

DEFERRED COMPENSATION BENEFITS TO THE PARTICIPANTS, WHO ARE MEMBERS OF A

SELECT GROUP OF MANAGEMENT OR HIGHLY COMPENSATED EMPLOYEES, BY PROVIDING

FOR THE PAYMENT OF DEFERRED COMPENSATION AFTER THE COMPLETION OF THE

SPECIFIED NUMBER OF YEARS OF SERVICE.

ANNUALLY, SUTTER HEALTH MAKES A CONTRIBUTION TO EACH PARTICIPANT'S

ACCOUNT BASED ON 4% OF BASE PAY. THERE IS AN ADDITIONAL CONTRIBUTION FOR

EXECUTIVES WHOSE PENSION ELIGIBLE EARNINGS WERE GREATER THAN THE PENSION

PAY CAP IN THE PREVIOUS YEAR. THE CALCULATION IS AS FOLLOWS:

* PENSION ELIGIBLE EARNINGS

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

* LESS PENSION PAYCAP AMOUNT

* TIMES A SPECIFIC % BASED ON YEARS OF SERVICE

THE PENSION RESTORATION PLAN IS DESIGNED TO HELP MAXIMIZE EACH

PARTICIPANT'S RETIREMENT POTENTIAL BY PROVIDING A TARGETED BENEFIT THAT

ALONG WITH EACH PARTICIPANT'S OTHER RETIREMENT INCOME, PROVIDES:

* 65% OF FINAL 4-YEAR AVERAGE SALARY IF PARTICIPANT RETIRES AT AGE 65

WITH 22.5 YEARS OF SERVICE.

* 50% OF FINAL 4-YEAR AVERAGE SALARY IF PARTICIPANT RETIRES AT AGE 65

WITH 15 YEARS OF SERVICE.

SINCE IT IS A TARGETED BENEFIT, ANNUAL CONTRIBUTION AMOUNTS VARY BASED ON

ASSUMPTIONS MADE TAKING INTO ACCOUNT EACH PARTICIPANTS' AGE, YEARS OF

SERVICE, AND OTHER RETIREMENT ACCOUNT BALANCES.

NAME AND AMOUNT FOR 2008

ED BERDICK \$162,100

TONI BRAYER, MD \$21,900

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

WARREN KIRK \$104,300

ROBERT PETRINA \$21,800

VIKI L. ARDITO \$13,900

MARK BEITING \$12,900

JOHN GENTILE \$20,300

CATHERINE A. ROSE \$10,000

GLORIA B. HARMON \$7,200

NON-FIXED PAYMENTS

PART I, QUESTION 7

SPOT AWARDS ARE INFREQUENTLY USED TO REWARD EMPLOYEES. THERE ARE NO

SPECIFIC GUIDELINES FOR THE AMOUNT OF THE SPOT AWARD BUT THE AMOUNT TENDS

TO NEVER EXCEED 5% OF GROSS PAY.

SCHEDULE J-2
(Form 990)

Continuation Sheet for Form 990

OMB No. 1545-0047

2008

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990 to list additional information for Form 990, Part VII, Section A, line 1a.

Name of the Organization

Employer identification number

SUTTER EAST BAY HOSPITALS

94-1196176

Part I Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
ED BERDICK SVP REGIONAL EXECUTIVE	40.	X						NONE	834,773.	498,016.
JEFFERY BLOCK TRUSTEE	1.	X						NONE	NONE	NONE
TONI BRAYER MD CMO-BAY AREA REGION	40.	X						NONE	433,753.	118,192.
MARY BROWN TRUSTEE	1.	X						NONE	NONE	NONE
JAMES CUTHBERTSON MD MED SVC PROVIDER/TRUSTEE	1.	X						10,000.	NONE	NONE
GARY DEPOLO TRUSTEE	1.	X						NONE	NONE	NONE
MICHAEL DIGIACOMO DPM MED SVC PROVIDER/TRUSTEE	1.	X						16,000.	NONE	NONE
CAROL N DONOFRIO DR PH TRUSTEE	1.	X						NONE	NONE	NONE
THOMAS DRESE CHAIR / TRUSTEE	1.	X		X				NONE	NONE	NONE
JANE GARCIA TRUSTEE	1.	X						NONE	NONE	NONE
FREDRIC N HERSKOWITZ MD MEDICAL DIRECTOR/TRUSTEE	1.	X						37,032.	NONE	NONE
CORNELIUS HOPPER MD TREASURER / TRUSTEE	1.	X		X				NONE	NONE	NONE
BARRY HORN MD SECRETARY / TRUSTEE	1.	X		X				NONE	NONE	NONE
WARREN KIRK CEO-SEBH	40.	X		X				NONE	674,286.	326,635.
LOUIS KOMARMY MD TRUSTEE	1.	X						NONE	NONE	NONE
ALAN LIESHAY MD TRUSTEE	1.	X						NONE	NONE	NONE
PETER LOCKE VICE CHAIR / TRUSTEE	1.	X		X				NONE	NONE	NONE
JOEL MARCUS MD MED SVC PROVIDER/TRUSTEE	1.	X						85,000.	NONE	NONE
NORMAN MOSCOW MD TRUSTEE	1.	X						NONE	NONE	NONE
DONALD G NELSON TRUSTEE	1.	X						NONE	310.	NONE
ARNOLD PERKINS TRUSTEE	1.	X						NONE	NONE	NONE

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J-2 (Form 990) 2008

JSA

8E1294 1.000

53157K 4019

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990 to list additional information for Form 990, Part VII, Section A, line 1a.

2008

Open to Public Inspection

Employer Identification number

94-11961-76

[illegible]

Schedule J-2 (Form 990) 2008

JSA

BE1294 1.000

53157K 4019

SCHEDULE K
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

► Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information on Schedule O (Form 990).

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Name of the organization:

SUTTER EAST BAY HOSPITALS

Employer identification number

94-1196176

Part I Bond Issues (Required for 2008)

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer	
						Yes	No	Yes	No
A CA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY	68-0164610	130911VT4	02/14/2004	18,473,170.	NEW CONSTRUCTION		X		X
B CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY	52-1643828	13033F2L3	05/14/2006	36,584,090.	REFUNDING OF PRIOR BOND ISSUES		X		X
C									
D									
E									

Part II Proceeds (Optional for 2008)

	A		B		C		D		E	
1 Total proceeds of issue										
2 Gross proceeds in reserve funds										
3 Proceeds in refunding or defeasance escrows										
4 Other unspent proceeds										
5 Issuance costs from proceeds										
6 Working capital expenditures from proceeds										
7 Capital expenditures from proceeds										
8 Year of substantial completion										
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
9 Were the bonds issued as part of a current refunding issue?										
10 Were the bonds issued as part of an advance refunding issue?										
11 Has the final allocation of proceeds been made?										
12 Does the organization maintain adequate books and records to support the final allocation of proceeds?										

Part III Private Business Use (Optional for 2008)

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1 Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?										
2 Are there any lease arrangements with respect to the financed property which may result in private business use?										

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule K (Form 990) 2008

Part III Private Business Use (Continued)

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts with respect to the financed property which may result in private business use?										
b Are there any research agreements with respect to the financed property which may result in private business use?										
c Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?										
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government		%		%		%		%		%
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government		%		%		%		%		%
6 Total of lines 4 and 5		%		%		%		%		%
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?										

Part IV Arbitrage (Optional for 2008)

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?										
2 Is the bond issue a variable rate issue?										
3a Has the organization or the governmental issuer identified a hedge with respect to the bond issue on its books and records?										
b Name of provider										
c Term of hedge										
4a Were gross proceeds invested in a GIC?										
b Name of provider										
c Term of GIC										
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?										
5 Were any gross proceeds invested beyond an available temporary period?										
6 Did the bond issue qualify for an exception to rebate?										

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service
Name of the organization

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide
additional information for responses to specific questions for the
Form 990 or to provide any additional information.

OMB No. 1545-0047

2008

Open to Public
Inspection

Employer identification number

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94-1196176

MISSION STATEMENT

990 PART I, LINE 1 AND PART III, LINE 1

TO ENHANCE THE HEALTH AND WELL BEING OF PEOPLE IN THE COMMUNITIES WE

SERVE THROUGH COMPASSION AND EXCELLENCE.

SERVICE EXCELLENCE STANDARD C.A.R.I.N.G.

CUSTOMER/PATIENTS FIRST

ACKNOWLEDGE AND GREET OTHERS

REACH OUT TO HELP AND FOLLOW THROUGH

INITIATE CONTACT AND COMMUNICATE

NURTURE OTHERS

GIVE ATTENTION TO DETAIL

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EXEMPT PURPOSE ACHIEVEMENTS

990 PART III, LINE 4A

DURING 2002, ALTA BATES MEDICAL CENTER MERGED WITH SUMMIT MEDICAL CENTER (A RELATED 501(C)(3) HOSPITAL), CREATING ALTA BATES SUMMIT MEDICAL CENTER (ABSMC). THIS ORGANIZATION CONSISTS OF TWO NON-PROFIT HOSPITALS PROVIDING ACUTE CARE AND EMERGENCY MEDICAL AND SURGICAL SERVICES TO INPATIENTS AND OUTPATIENTS OF THE SAN FRANCISCO BAY AREA.

ABSMC HAS DEVELOPED STRENGTHS IN SPECIALTY AREAS SUCH AS HIGH-RISK OBSTETRICS, NEONATOLOGY, MENTAL HEALTH, CANCER TREATMENT, REHABILITATION AND CARDIOLOGY.

IN 2008, ABSMC CONTRIBUTED MORE THAN \$79.1 MILLION IN COMMUNITY BENEFIT. COMMUNITY BENEFIT PROGRAMS AND SERVICES REACHED MORE THAN 100,000 COMMUNITY MEMBERS. SEVERAL OF THESE PROGRAMS ARE DESCRIBED BELOW. ALSO ATTACHED IS A COMPREHENSIVE LIST OF ALL OF THE MEDICAL CENTER'S COMMUNITY BENEFIT PROGRAMS AND SERVICES.

1. REHABILITATION SERVICES

* BREAST HEALTH ACCESS FOR WOMEN WITH DISABILITIES: FIRST PROGRAM OF ITS KIND IN THE NATION. THIS CLINIC FEATURES A WHEELCHAIR-ACCESSIBLE MAMMOGRAPHY MACHINE AND SPECIAL EXAM TABLES, AS WELL AS EDUCATION AND OUTREACH SERVICES DESIGNED SPECIFICALLY FOR WOMEN WITH DISABILITIES. ALL ARE FREE TO DISABLED WOMEN IN ALAMEDA AND CONTRA COSTA COUNTIES. THE PROGRAM HAS IGNITED INTEREST NATION-WIDE AND WILL BE INSTRUMENTAL IN ENHANCING HEALTH CARE FOR DISABLED WOMEN EVERYWHERE.

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* THE DISABLED COMMUNITY HEALTH CLINIC: FOCUSES ON FOSTERING INDEPENDENCE WITHIN THE DISABLED COMMUNITY. THE PROGRAM FOCUSES ON OUTPATIENT DELIVERY OF CARE, AND SERVICE IS PROVIDED REGARDLESS OF THE PATIENT'S ABILITY TO PAY. THIS PROGRAM ALSO ALLOWS DISABLED PERSONS TO GAIN ACCESS TO NEEDED SUB-SPECIALTIES.

* THE PRE-SCHOOL COMMUNICATION PROGRAM (SMALL VOICE): OFFERS INTENSIVE SPEECH THERAPY TO PRE-SCHOOL CHILDREN (AGES TWO AND ONE-HALF TO FIVE YEARS) EXHIBITING SPEECH AND LANGUAGE PROBLEMS. MORNING AND AFTERNOON SESSIONS ARE SCHEDULED THREE DAYS A WEEK. A SESSION CONSISTS OF TWO AND ONE-HALF HOURS OF GROUP INTERACTION LED BY A THERAPIST. THE CHILD ALSO MEETS ONE-ON-ONE WITH HIS OR HER THERAPIST WEEKLY. THIS PROGRAM IS PARTIALLY FUNDED THROUGH UNITED WAY FUNDS AND OTHER GRANTS.

* PHYSICAL AND OCCUPATIONAL THERAPY EDUCATIONAL PROGRAM PROVIDED TO ORGANIZATIONS SUCH AS CHURCHES, SENIOR CENTERS, MULTIPLE SCLEROSIS, POST-POLIO GROUPS, AND HALL OF HEALTH GROUPS. OFFERS EDUCATIONAL SEMINARS YEARLY ON THE TOPICS OF BACK CARE, STAIR CLIMBING, AND AMBULATORY MOBILITY.

* SENIOR ORAL REHAB PROGRAM: EDUCATIONAL PROGRAM PROVIDED TWICE EACH YEAR TO SENIOR CENTERS AT THEIR RESPECTIVE LOCATIONS. THE PROGRAM IS OFFERED FREE OF CHARGE AND INCLUDES TOPICS SUCH AS MAXIMIZING HEARING, LIP READING, AND USE OF HEARING AIDS.

* STROKE SUPPORT GROUP: FOR STROKE SURVIVORS, FAMILY AND FRIENDS.

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* ARTHRITIS SUPPORT SERVICES: IN CONJUNCTION WITH THE ARTHRITIS FOUNDATION, REHAB SERVICES OFFERS FREE SUPPORT AND EDUCATION PROGRAMS TO THE COMMUNITY. MONTHLY MEETINGS OF THIS GROUP FEATURE EXPERTS ON MANY TOPICS OF INTEREST TO PEOPLE LIVING WITH ARTHRITIS.

* REHAB CAREGIVERS SUPPORT GROUP: OFFERED TO FAMILY MEMBERS AND FRIENDS WHO HAVE SOMEONE WHO HAS BEEN THROUGH THE ACUTE REHABILITATION PROGRAM AT THE HERRICK CAMPUS. THE PROGRAM ADDRESSES THE NEEDS OF CAREGIVERS ASSISTING A PERSON LIVING WITH PHYSICAL DISABILITIES AND NEEDING SUPPORT.

2. RESPIRATORY SERVICES

* ADULT ASTHMA EDUCATION: TEACHES PATIENTS TO UNDERSTAND ASTHMA MEDICATIONS AND SELF-MANAGEMENT. MONTHLY THREE HOUR EDUCATIONAL PROGRAMS FOR PATIENTS WITH ASTHMA.

* ASTHMA MANAGEMENT RESOURCE CENTER: PROVIDES A SYSTEMIZED APPROACH TO ASTHMA MANAGEMENT FOR PATIENTS. PATIENTS ARE PROVIDED APPROPRIATE EDUCATION, MEDICAL APPLIANCES AND MEDICATION FREE OF CHARGE. PATIENTS ARE REFERRED TO LOCAL COMMUNITY CLINICS FOR ANY FURTHER CLINICAL SERVICES.

* ASTHMA SUPPORT GROUP: PROVIDES FREE EDUCATION AND SUPPORT TO PERSONS WITH ASTHMA FOLLOWING PARTICIPATION IN PULMONARY REHABILITATION. THE GROUPS MEET MONTHLY.

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3. OLDER ADULT SERVICES

VARIOUS PROGRAMS FOCUS ON ENSURING THAT THE BASIC NEEDS OF THE OLDER ADULT POPULATION ARE MET, AND THAT OLDER ADULTS WHO ARE POOR HAVE ACCESS TO HEALTH CARE, WITH AN EMPHASIS ON PREVENTIVE CARE. PROGRAMS MADE AVAILABLE TO OLDER ADULTS INCLUDE HEALTH FAIRS, THE ALZHEIMER CAREGIVER SUPPORT GROUP, AND CAREGIVER TRAINING PROGRAMS. OTHER PROGRAMS INCLUDE:

* TELE-CARE PROGRAM: FREE TELEPHONE PROGRAM THAT PROVIDES DAILY REASSURANCE CALLS 365 DAYS A YEAR TO THOSE WHO MAY BE HOME-BOUND, DISABLED, CONVALESCING FROM AN ILLNESS, RETIRED, A WIDOW OR WIDOWER. THE TARGET POPULATION IS OVER 60 YEARS OF AGE. RESIDENTS OF ALAMEDA AND CONTRA COSTA COUNTIES ARE ELIGIBLE TO PARTICIPATE IN THE PROGRAM.

* HEALTH ACCESS: PROVIDES ON-GOING MONTHLY LECTURES ON TOPICS OF INTEREST TO SENIORS, SUCH AS, NUTRITION, DIABETES CARE, BLOOD PRESSURE SCREENING, COPING WITH ALZHEIMER'S DISEASE AND OTHERS, FREE OF CHARGE.

* LIFELINE: PROVIDES PERSONAL EMERGENCY RESPONSE SERVICES TO OLDER ADULTS, THE FRAIL AND PHYSICALLY CHALLENGED IN THE COMMUNITY.

4. WOMEN AND INFANT SERVICES

* NEONATAL INTENSIVE CARE UNIT (NICU): THE UNIT FOCUSES NOT ONLY ON THE MEDICAL NEEDS OF THE BABY, BUT ON ITS DEVELOPMENTAL NEEDS AS WELL. THE NICU, WHICH SERVES A LARGE PERCENTAGE OF UNINSURED, IS BASED ON THE PHILOSOPHY THAT THE FAMILY IS THE PATIENT, NOT JUST THE INFANT AND THAT

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THE GOAL IS TO DISCHARGE THE MOST COMPETENT PARENT(S) AND MOST COMPETENT INFANT POSSIBLE.

* NEONATAL TRANSPORT: PROVIDES A CLINICAL TEAM FOR INFANT TRANSPORT FROM A COMMUNITY HOSPITAL TO ALTA BATES SUMMIT NICU.

* BREAST FEEDING SUPPORT PROGRAM OFFERS LACTATION CONSULTANT AVAILABILITY IN THE HOSPITAL, PARTICIPATION ON THE ALAMEDA BREASTFEEDING TASK FORCE AND COOPERATIVE ENDEAVORS WITH BERKELEY WIC PROGRAMS.

* LABOR AND DELIVERY PARENT EDUCATION/CHILDBIRTH EDUCATION PROGRAM: CLASSES AND LECTURES EMPHASIZING WHAT TO EXPECT WHEN PREGNANT, FROM CHANGES IN FAMILY DYNAMICS (BIG BROTHER/BIG SISTER CLASS AND BECOMING A FATHER), TO LECTURES ABOUT PREPARING FOR BREASTFEEDING AND COPING WITH LABOR PAINS. SOME COURSES REQUIRE A FEE, MOST ARE PROVIDED FREE OF CHARGE.

* THE PARENT SHARE SUPPORT PROGRAM NURSES FROM THE ABSMC NURSERY STAFF LEAD SUPPORT GROUP MEETINGS TWICE A MONTH FOR PARENTS WHO HAVE INFANTS IN THE NEWBORN INTENSIVE CARE UNIT (NICU). ALTA BATES SUMMIT ALSO SPONSORS AN ANNUAL NURSERY REUNION FOR ITS NICU "GRADUATES."

* INFANT FOLLOW-UP PROGRAM PROVIDES DEVELOPMENTAL DIAGNOSTIC FOLLOW-UP SERVICES TO APPROXIMATELY 175 INFANTS DISCHARGED EACH YEAR FROM THE NICU. THE PROGRAM OPERATES AN OUTPATIENT CLINIC WEEKLY. DIAGNOSTIC SERVICES INCLUDE DEVELOPMENTAL HISTORY, PSYCHO-SOCIAL ASSESSMENT, NEURO-DEVELOPMENTAL AND PHYSICAL EXAMINATION BY NURSES, A CHILD

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PSYCHOLOGIST AND PHYSICIAN, AND REFERRAL TO COMMUNITY RESOURCES FOR

ON-GOING DEVELOPMENTAL INTERVENTIONS

* SPECIAL CONNECTIONS PROGRAM: SUPPORT GROUP FOR HOSPITALIZED HIGH-RISK

ANTEPARTUM WOMEN. WOMEN ARE VISITED IN THE HOSPITAL BY FORMER ANTEPARTUM

PATIENTS WHO SHARE CONCERNS AND OFFER ADVICE ON DEALING WITH THE

FRUSTRATION OF BEING ON BED REST.

* SUPPORT AFTER NEONATAL DEATH (SAND): PROVIDES SUPPORT FOR PARENTS WHO

EXPERIENCE FETAL OR NEONATAL DEATH (IN THE EAST BAY.) SUPPORT SERVICES

INCLUDE HELPING THE PARENTS COPE WITH THE DEATH, ARRANGING BURIAL

SERVICES, AND SCHEDULING ON-GOING SUPPORT AND COUNSELING. THE GROUP

SUPPORT AND COUNSELING IS ALSO AVAILABLE FOR PARENTS WHO HAVE DELIVERED

AT HOSPITALS OTHER THAN ABSMC.

5. ONCOLOGY SERVICES/SUPPORT GROUPS

* BREAST CANCER SUPPORT GROUP FOR WOMEN UNDER 40: FOCUSES ON THE SPECIAL

NEEDS AND CONCERNS OF YOUNGER WOMEN. PROGRAM IS PROVIDED FREE OF CHARGE.

* GUIDED RELAXATION AND VISUALIZATION: INNOVATIVE APPROACH TO REDUCING

STRESS AND ANXIETY AND CREATING POSITIVE, LIFE-AFFIRMING IMAGES FOR

PEOPLE LIVING WITH CANCER. PROGRAM IS PROVIDED FREE OF CHARGE.

* MARKSTEIN CANCER EDUCATION AND PREVENTION CENTER: DEDICATED TO

DECREASING THE INCIDENCE OF CANCER THROUGH EARLY DETECTION AND OUTREACH

EDUCATION. THE CENTER PROVIDES A VAST ARRAY OF OUTREACH AND EDUCATIONAL

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ACTIVITIES - INCLUDING BUT NOT LIMITED TO, THE CENTER'S FREE CLINIC OF COMPLIMENTARY THERAPY, BREAST CANCER AND GENERAL CANCER SUPPORT GROUPS AND THE "LOOK GOOD FEEL BETTER" PROGRAM. FOR MORE INFORMATION ABOUT THE VARIOUS PROGRAMS OFFERED, PLEASE SEE THE ATTACHED LIST.

* COMPREHENSIVE CANCER CENTER OUTREACH EFFORTS: LOCATED AT THE HERRICK CAMPUS OF THE MEDICAL CENTER, OFFERS MORE THAN 18 DIFFERENT COMMUNITY OUTREACH PROGRAMS AND SERVICES, INCLUDING A CANCER RESOURCE CENTER AND SEVERAL SUPPORT GROUPS AND EDUCATION ACTIVITIES. FOR MORE INFORMATION ABOUT THE VARIOUS PROGRAMS OFFERED, PLEASE SEE THE ATTACHED LIST.

* NEWLY DIAGNOSED BREAST CANCER SUPPORT GROUP: GOAL OF THIS GROUP IS TO SUPPORT THE NEWLY DIAGNOSED PATIENT, PROVIDE INFORMATION, AND A FORUM TO SHARE FEELINGS AND CONCERNS. PROGRAM IS PROVIDED FREE OF CHARGE.

* PARTNERS OF WOMEN WITH BREAST CANCER: PROVIDES A SUPPORTIVE ENVIRONMENT FOR PARTNERS OF WOMEN WITH CANCER TO TALK ABOUT THEIR EMOTIONS AND CONCERNS. PROGRAM IS PROVIDED FREE OF CHARGE.

* SEXUALITY, INTIMACY AND BREAST CANCER WORKSHOP: OVERALL VIEW OF THE IMPACT BREAST CANCER CAN HAVE ON ONE'S INTIMATE LIFE. PROGRAM IS PROVIDED FREE OF CHARGE.

* SUPPORT GROUP FOR FRIENDS AND FAMILY COPING WITH CANCER IN A LOVED ONE: A DROP-IN SUPPORT GROUP FOR SPOUSES, PARTNERS, SIBLINGS, PARENTS, ADULT CHILDREN AND FRIENDS WHO ARE COPING WITH CANCER IN A LOVED ON. PROGRAM IS PROVIDED FREE OF CHARGE.

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* LOOK GOOD...FEEL BETTER: TIPS ON WIGS, HEAD COVERINGS AND SKIN CARE FOR
WOMEN IN CHEMOTHERAPY. PROGRAM IS PROVIDED FREE OF CHARGE.

6. CHRONIC DISEASE SERVICES

* EAST BAY AIDS CENTER: PROVIDES A COMPREHENSIVE PROGRAM OF PRIMARY HIV
CARE AND ACCESS TO CLINICAL TRIALS AS WELL AS CONSULTATION AND SUPPORT
SERVICES THROUGHOUT THE CONTINUUM OF HIV DISEASE. THIS OUTPATIENT
SERVICE IS THE LEADER IN PROVIDING PRIMARY HIV CARE AMONG EAST BAY
COMMUNITY HOSPITALS AND CARES FOR OVER 500 PEOPLE EACH YEAR, 20% OF WHOM
ARE WOMEN. FOR MORE INFORMATION ABOUT THE VARIOUS PROGRAMS OFFERED,
PLEASE SEE THE ATTACHED LIST.

* ALTA BATES SUMMIT MEDICAL CENTER/CHILDREN'S HOSPITAL JOINT SICKLE CELL
PROGRAM: PROVIDES CARE TO PERSONS WHO ARE IMPACTED BY SICKLE CELL, A
GENETICALLY INHERITED DISORDER. THE PROGRAM OFFERS A COMPREHENSIVE
APPROACH TO INPATIENT AND OUTPATIENT MEDICAL SERVICES, AND ALSO PROVIDES
FOR THE SOCIAL AND EDUCATIONAL NEEDS OF ITS PATIENTS.

* DIABETES CENTER: PROVIDES CLINICAL SERVICES, DISEASE MANAGEMENT AND
EDUCATION FOR PEOPLE WITH DIABETES. SERVICES ALSO INCLUDE: A SPEAKER'S
BUREAU, A FREE METER PROGRAM AND OTHER SUPPLIES DONATIONS, SCREENING, AND
A SUPPORT GROUP.

7. CARDIOVASCULAR SERVICES

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SERVICES PROVIDED FREE OR AT A NOMINAL FEE INCLUDE CPR COURSES,
CHOLESTEROL SCREENING, BLOOD PRESSURE READINGS AND LECTURES TO LOCAL
COMMUNITY GROUPS AND CONFERENCES FOR THE COMMUNITY AND PHYSICIANS.

* VASCULAR REHAB EXERCISE EDUCATION: SELF-PACED EXERCISE PROGRAM FOR
PEOPLE WHO HAVE LEG PAIN. FREE OF CHARGE.

* CARDIAC REHABILITATION PATIENT VISITS: VISITS IN THE HOSPITAL TO
NON-REIMBURSED PATIENTS TO PROVIDE PATIENT EDUCATION.

* CARDIAC REHABILITATION PHONE SERVICE: PHONE CALLS FROM NON-PATIENTS
SEEKING CARDIAC REHAB INFORMATION, WHO FOR VARIOUS REASONS CANNOT COME TO
THE MEDICAL CENTER.

* CARDIAC REHAB PROGRAM-BERKELEY AND ALBANY YMCA'S: NURSE SUPERVISED
EXERCISE CLASSES FOR PATIENTS WHO HAVE HAD CARDIAC PROBLEMS. PATIENTS ARE
CLOSELY OBSERVED 3 TIMES A WEEK AT THE YMCA. THIS INCLUDES MONITORING OF
BLOOD PRESSURE, HEART RHYTHMS, MEDICATION AND WEIGHT EVALUATION.

8. OTHER SERVICES

* TUITION REIMBURSEMENT: EMPLOYEES ARE REIMBURSED FOR PROFESSIONAL
EDUCATION.

* ABSMC NURSING EDUCATION OFFERS A BROAD SELECTION OF EDUCATIONAL
CONFERENCES FOR THE BENEFIT OF THE MEDICAL COMMUNITY. THESE LECTURES ARE
FREE AND HELP DISSEMINATE INFORMATION THAT IS PERTINENT TO VARIOUS

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SEGMENTS OF THE PROFESSIONAL COMMUNITY.

* CHAPLAINCY: PROVIDES SEVERAL COMMUNITY OUTREACH AND EDUCATIONAL ACTIVITIES. FOR MORE INFORMATION ABOUT THE VARIOUS PROGRAMS OFFERED, PLEASE SEE THE ATTACHED LIST.

* ETHNIC HEALTH INSTITUTE (EHI): THE PURPOSE OF THE PROGRAM IS TO ENHANCE THE HEALTH AND WELL BEING OF ALL PEOPLE IN THE COMMUNITY, FOCUSING ON THE UNDESERVED POPULATION WHO EXPERIENCE DISPARITIES IN HEALTHCARE AND DISEASE. EHI PROMOTES COMMUNITY HEALTH AWARENESS, ORGANIZATIONAL ALLIANCES, AND HEALTH PROVIDER TRAINING, RESEARCH AND EDUCATION. EHI WORKS IN PARTNERSHIP WITH MORE THAN FIFTY PUBLIC AND PRIVATE HEALTHCARE INSTITUTIONS, SCHOOL DISTRICTS, UNIVERSITY HEALTH PROGRAMS, AND COMMUNITY BASED HEALTH ORGANIZATIONS.

* HEALTH MINISTRY PROGRAM: THE PURPOSE OF THE HEALTH MINISTRY PROGRAM IS TO DEVELOP AND SUPPORT HEALTH MINISTRIES IN CONGREGATIONS AND COMMUNITIES THEY SERVE. THE PROGRAM HELPS TO IDENTIFY HEALTH PROBLEMS AMONG CONGREGATION MEMBERS AND ASSIST IN LOCATING AND/OR PROVIDING HEALTH CARE TO THOSE IN NEED. PARISH NURSES WORK WITH CONGREGATIONS TO PROVIDE SUCH BASIC HEALTH CARE SERVICES AS BLOOD PRESSURE AND BLOOD GLUCOSE SCREENINGS, HEALTH COUNSELING, SUPPORT GROUPS, REFERRALS AND HEALTH INFORMATION. FOR MORE INFORMATION ABOUT THE VARIOUS PROGRAMS OFFERED, PLEASE SEE THE ATTACHED LIST.

* YOUTH BRIDGE CAREER DEVELOPMENT PROGRAM: SINCE 1989, THE MEDICAL CENTER HAS SPONSORED THE YOUTH BRIDGE MENTORING PROGRAM TARGETING AT-RISK

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TEEN-AGE STUDENTS AND TEEN PARENTS. THE PURPOSE OF THE PROGRAM IS TO
ENCOURAGE YOUNG PEOPLE TO CONTINUE THEIR EDUCATION, TO GIVE THEM AN
OPPORTUNITY TO EXPERIENCE A PROFESSIONAL WORKING ENVIRONMENT, TO EXPLORE
A VARIETY OF PROFESSIONS AND TO LEARN ABOUT HEALTH CARE CAREERS.

* MPI: HOSPITAL-BASED PROGRAM FOR ALCOHOLISM AND DRUG ABUSE TREATMENT
INCLUDES DETOXIFICATION, IMPATIENT REHABILITATION, RESIDENTIAL
REHABILITATION, DAY TREATMENT, AND MORNING AND EVENING INTENSIVE
OUTPATIENT PROGRAMS. MPI PROVIDES SEVERAL COMMUNITY OUTREACH AND
EDUCATIONAL ACTIVITIES. FOR MORE INFORMATION ABOUT THE VARIOUS PROGRAMS
OFFERED, PLEASE SEE THE ATTACHED LIST.

* PATIENT ASSISTANCE FUND: FUNDS, CONTRIBUTED TO BY STAFF AND OTHER FUND
RAISERS, DESIGNATED FOR SUCH THINGS AS MOTEL VOUCHERS, ARC EQUIPMENT,
CASH FOR FOOD, TRANSPORT AND LAB TEST.

* SAMUEL MERRITT COLLEGE: ASSOCIATED WITH ALTA BATES SUMMIT MEDICAL
CENTER. SAMUEL MERRITT COLLEGE PROVIDES SEVERAL COMMUNITY OUTREACH AND
EDUCATIONAL ACTIVITIES. FOR MORE INFORMATION ABOUT THE VARIOUS PROGRAMS
OFFERED, PLEASE SEE THE ATTACHED LIST.

* LIFELONG MEDICAL CARE: LIFELONG WAS FORMED BY THE MERGER OF THE OVER 60
HEALTH CLINIC AND THE BERKELEY PRIMARY CARE ACCESS CLINIC. IS A JOINT
EFFORT BETWEEN ALTA BATES SUMMIT AND THE CITY OF BERKELEY. MEDICAL
SERVICES FOCUS ON PEOPLE OVER THE AGE OF 60, INFANTS, CHILDREN AND
ADOLESCENTS. PRENATAL CARE, IMMUNIZATIONS, PODIATRY, MENTAL HEALTH AND
DENTISTRY ARE JUST A FEW OF THE SERVICES OFFERED. MEDI-CAL, MEDICARE,

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INSURANCE AND DISCOUNTED FEES ARE AVAILABLE. THE HOSPITAL PROVIDES FREE

SPACE FOR THE CLINIC, AS WELL AS IN-KIND SERVICES AND CASH DONATIONS.

* HEALTH SCIENCE LIBRARIES: TWO RESOURCE CENTERS FOR HEALTH CARE
PROFESSIONALS.

* THUNDER ROAD: PROGRAM ASSISTS YOUTH STRUGGLING WITH PROBLEMS RELATED TO
THE ABUSE OF DRUGS, ALCOHOL, NICOTINE AND OTHER BEHAVIORAL HEALTH
CONDITIONS, TO OVERCOME THOSE PROBLEMS AND BECOME FUNCTIONING MEMBERS OF
THEIR RESPECTIVE COMMUNITIES.

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DESCRIPTION OF CLASSES OF PERSONS AND THE NATURE OF THEIR RIGHTSFORM 990, PART VI, QUESTION 7A

THIS CORPORATION IS AN AFFILIATE OF SUTTER HEALTH, A CALIFORNIA NONPROFIT
PUBLIC BENEFIT CORPORATION. SUTTER HEALTH IS THE SOLE MEMBER WITH THE
RIGHT TO ELECT AT LEAST A MAJORITY OF THE MEMBERS OF THE BOARD OF
DIRECTORS.

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DESCR CLASSES OF PERSONS, DECISIONS REQUIRING APPR & TYPE OF VOTING RIGHTS

FORM 990, PART VI, QUESTION 7B

SUTTER HEALTH AS THE SOLE MEMBER OF THE ORGANIZATION IS ENTITLED TO

EXERCISE FULLY ALL RIGHTS AND PRIVILEGES OF MEMBERS OF NONPROFIT

CORPORATIONS UNDER THE CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION

LAW AND ALL OTHER APPLICABLE LAWS. THE MEMBER HAS THE RIGHTS AND POWERS

TO APPOINT (AND REMOVE) MEMBERS OF THE CORPORATION'S BOARD OF DIRECTORS,

SUBJECT TO THE PROVISIONS OF THE BYLAWS. IN ADDITION, THE MEMBER HAS THE

RIGHT TO APPROVE THE FOLLOWING ACTIONS OF THE CORPORATION'S BOARD OR

DIRECTORS:

A. MERGER, CONSOLIDATION, REORGANIZATION, OR DISSOLUTION OF THE

CORPORATION OR ANY SUBSIDIARY OR AFFILIATE ENTITY;

B. AMENDMENT OR RESTATEMENT OF THE ARTICLES OF INCORPORATION OR THE

BYLAWS OF THE CORPORATION OR ANY SUBSIDIARY OR AFFILIATE ENTITY;

C. ADOPTION OF OPERATING BUDGETS OF THE CORPORATION OR ANY SUBSIDIARY OR

AFFILIATE ENTITY, INCLUDING CONSOLIDATED OR COMBINED BUDGETS OF THE

CORPORATION AND ALL SUBSIDIARY ORGANIZATIONS OF THE CORPORATION;

D. ADOPTION OF CAPITAL BUDGETS OF THE CORPORATION OR ANY SUBSIDIARY OR

AFFILIATE ENTITY;

E. AGGREGATE OPERATING OR CAPITAL EXPENDITURES ON AN ANNUAL BASIS THAT

EXCEED APPROVED OPERATING OR CAPITAL BUDGETS BY A SPECIFIED DOLLAR AMOUNT

TO BE DETERMINED FROM TIME TO TIME BY THE GENERAL MEMBER;

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F. LONG-TERM OR MATERIAL AGREEMENTS INCLUDING, BUT NOT LIMITED TO, BORROWINGS, EQUITY FINANCINGS, CAPITALIZED LEASES AND INSTALLMENT CONTRACTS, AND PURCHASE, SALE, LEASE, DISPOSITION, HYPOTHECATION, EXCHANGE, GIFT, PLEDGE, OR ENCUMBRANCE OF ANY ASSET, REAL OR PERSONAL, WITH A FAIR MARKET VALUE IN EXCESS OF A DOLLAR AMOUNT TO BE DETERMINED FROM TIME TO TIME BY THE DIRECTORS OF THE GENERAL MEMBER, WHICH SHALL NOT BE LESS THAN 10% OF THE TOTAL ANNUAL CAPITAL BUDGET OF THE CORPORATION;

G. APPOINTMENT OF AN INDEPENDENT AUDITOR AND HIRING OF INDEPENDENT COUNSEL EXCEPT IN CONFLICT SITUATIONS BETWEEN THE GENERAL MEMBER AND THE CORPORATION OR ANY SUBSIDIARY OR AFFILIATE ENTITY;

H. THE CREATION OR ACQUISITION OF ANY SUBSIDIARY OR AFFILIATE ENTITY;

I. CONTRACTING WITH AN UNRELATED THIRD PARTY FOR ALL OR SUBSTANTIALLY ALL OF THE MANAGEMENT OF THE ASSETS OR OPERATIONS OF THE CORPORATION OR ANY SUBSIDIARY OR AFFILIATE ENTITY;

J. APPROVAL OF MAJOR NEW PROGRAMS AND CLINICAL SERVICES OF THE CORPORATION OR ANY SUBSIDIARY OR AFFILIATE ENTITY. THE GENERAL MEMBER SHALL FROM TIME TO TIME DEFINE THE TERM "MAJOR" IN THIS CONTEXT;

K. APPROVAL OF STRATEGIC PLANS OF THE CORPORATION OR ANY SUBSIDIARY OR AFFILIATE ENTITY;

L. ADOPTION OF QUALITY ASSURANCE POLICIES NOT IN CONFORMITY WITH POLICIES

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ESTABLISHED BY THE GENERAL MEMBER;

M. ANY TRANSACTION BETWEEN THE CORPORATION, A SUBSIDIARY OR AFFILIATE AND

A DIRECTOR OF THE CORPORATION OR AN AFFILIATE OF SUCH DIRECTOR.

IN ADDITION, THE GENERAL MEMBER SHALL HAVE THE AUTHORITY (BY A VOTE OF

NOT LESS THAN TWO-THIRDS (2/3) OF ITS BOARD), TO DECLARE A MAJOR ACTIVITY

REQUIRING APPROVAL.

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DESCRIBE THE PROCESS USED BY MANAGEMENT &/OR GOVERNING BODY TO REVIEW 990

FORM 990, PART VI, QUESTION 10

SUTTER HEALTH HAS A CENTRALIZED TAX DEPARTMENT RESPONSIBLE FOR THE

PREPARATION OF THE FORM 990. ANNUALLY THE TAX DEPARTMENT PROVIDES

TRAINING AND EDUCATION TO AFFILIATE PERSONNEL WHO ASSIST THE TAX

DEPARTMENT IN COLLECTING AND REVIEWING DATA TO BE REPORTED ON THE FORM

990. THE PREPARATION MATERIAL IS REVIEWED BY VARIOUS DEPARTMENTS

INCLUDING TAX, FINANCE, LEGAL, AND HUMAN RESOURCES. ADDITIONALLY, THE

CHIEF FINANCIAL OFFICER SIGNS OFF ON THIS DATA BEFORE THE RETURN GOES TO

THE PREPARATION STAGE. A NATIONAL ACCOUNTING FIRM PREPARES AND/OR

REVIEWS THE RETURN. A COMPLETED RETURN IS THEN REVIEWED BY THE TAX

DEPARTMENT AND THE AFFILIATE WITH THE CHIEF FINANCIAL OFFICER GIVING

HIS/HER APPROVAL BEFORE THE RETURN IS FILED.

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DESCRIPTION OF PROCESS TO MONITOR TRANSACTIONS FOR CONFLICTS OF INTERESTFORM 990, PART VI, QUESTION 12EACH INDIVIDUAL BOARD MEMBER AND OFFICER HAS TO SIGN AN ACKNOWLEDGEMENTFORM THAT THEY HAVE READ THE POLICY. ANNUALLY A DISCLOSURE STATEMENT ISCOMPLETED BY ALL OFFICERS AND BOARD MEMBERS. ON THIS STATEMENT THEINDIVIDUAL WILL LIST A WIDE RANGE OF INFORMATION WHICH INCLUDES BUSINESSRELATIONSHIPS, EMPLOYMENT RELATIONSHIPS, PROPERTY INTERESTS, AND THOSE OFRELATED PARTIES. THE CEO AND BOARD CHAIR WILL REVIEW THE STATEMENTS ANDMONITOR SITUATIONS THAT MAY POSE A POTENTIAL CONFLICT OF INTEREST. THECEO AND BOARD CHAIR MAY CONSULT WITH THE LEGAL COUNSEL DEPARTMENT ASNECESSARY. IF THERE IS A POTENTIAL CONFLICT OF INTEREST RELATED TO APARTICULAR TRANSACTION, THE INTERESTED TRUSTEE MUST DISCLOSE THEEXISTENCE AND NATURE OF THE RELATIONSHIP. THE BOARD CHAIR MAY APPOINT ADISINTEREST PERSON OR COMMITTEE TO INVESTIGATE THE CONFLICT. UNTIL THEPOTENTIAL CONFLICT IS RESOLVED, THE BOARD CHAIR MAY REQUEST THE TRUSTEETO LEAVE THE ROOM OR NOT PARTICIPATE DURING RELATED PRESENTATIONS ANDDISCUSSIONS. IN ALL CIRCUMSTANCES INVOLVING AN ACTUAL CONFLICT, THEINTERESTED TRUSTEE SHALL REFRAIN FROM VOTING ON ANY MATTER RELATED TO THETRANSACTION.

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SUTTER EAST BAY HOSPITALS

94-1196176

PROCESS FOR DETERMINING COMPENSATIONFORM 990, PART VI, QUESTION 15THE COMPENSATION COMMITTEE OF THE SUTTER HEALTH BOARD OF DIRECTORSRETAINS ULTIMATE DISCRETIONARY AUTHORITY OVER ALL ELEMENTS OFCOMPENSATION TO ASSURE THAT ORGANIZATIONAL PURPOSES ARE APPROPRIATELYBEING SERVED. THE COMPENSATION COMMITTEE USES CREDIBLE DATA SOURCES ANDMAINTAINS AN OBJECTIVE "ARMS LENGTH" DECISION-MAKING PROCESS, ENSURINGTHE INTEGRITY OF SUTTER'S EXECUTIVE PROGRAMS AND CONSISTENCY WITH THEORGANIZATION'S OVERALL MISSION.IN ORDER TO ENSURE EXTERNAL COMPETITIVENESS, NATIONAL, CALIFORNIA ANDLOCAL MARKET AREA COMPENSATION DATA COMPARISONS ARE REVIEWED. COMPETITIVEANALYSIS INCLUDES: (A) BASE SALARY, (B) TOTAL CASH (BASE SALARY + ANNUALINCENTIVE) AND (C) TOTAL REMUNERATION (BASE SALARY + ANNUAL INCENTIVE +BENEFITS AND LONG TERM INCENTIVE).THIS ANALYSIS INCLUDES COMPARABLE ORGANIZATIONS AND GEOGRAPHICCONSIDERATIONS. FOR THE MOST SENIOR EXECUTIVE POSITIONS, NATIONALCOMPARISONS FOR ORGANIZATIONS SIMILAR IN SIZE, SCOPE AND COMPLEXITY ASSUTTER HEALTH ARE MOST APPROPRIATE SINCE IT IS A NATIONAL MARKETPLACE INWHICH SUTTER COMPETES FOR EXECUTIVE TALENT. ON THE OTHER HAND, BECAUSECALIFORNIA'S UNDERLYING COMPENSATION STRUCTURE IS HIGHER THAN NATIONALDATA (ESPECIALLY IN THE BAY AREA), REGIONAL PAY COMPARISONS ANDADJUSTMENTS ARE MADE.ALL OFFICERS OF THE ORGANIZATION (I.E., CEO, CFO, COO) UNDERGO A REVIEWAND BOARD APPROVAL ANNUALLY. KEY EMPLOYEES AND OTHER EXECUTIVES OF

Name of the organization

SUTTER EAST BAY HOSPITALS

Employer identification number

94-1196176

SUTTER HEALTH WHO ARE CONSIDERED DISQUALIFIED PERSONS FOR FORM 990REPORTING PURPOSES ARE HANDLED IN THE SAME MANNER.

Name of the organization

Employer identification number

SUTTER EAST BAY HOSPITALS

94-1196176

AVAIL OF GOV DOCS, CONFLICT OF INTEREST POLICY, & FIN STMTS TO GEN PUBLIC

FORM 990, PART VI, QUESTION 19

THE SUTTER HEALTH SYSTEM POSTS ITS CURRENT AND PAST AUDITED FINANCIAL

STATEMENTS AT SUTTERHEALTH.ORG. OTHER DOCUMENTS ARE ALSO LOCATED AT THIS

WEBSITE INCLUDING THE ANNUAL REPORT, MISSION STATEMENT, HISTORY, AND

LINKS TO AFFILIATE WEBSITES.

Name of the organization

Employer identification number

SUTTER EAST BAY HOSPITALS

94-1196176

COMPILATION, REVIEW AND AUDIT OF INDEPENDENT ACCOUNTANT

FORM 990, PART XI, QUESTION 2

ANNUALLY THE SUTTER HEALTH SYSTEM HAS AN AUDIT OF COMBINED BALANCE SHEETS
AND STATEMENTS OF OPERATIONS PERFORM BY INDEPENDENT AUDITORS. AN AUDIT
COMMITTEE SELECTS THE AUDITORS AND REVIEWS RESULTS.

Name of the organization

Employer identification number

SUTTER EAST BAY HOSPITALS

94-1196176

DESCRIPTIONS OF BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS

SCHEDULE L, PART IV

BARRY HORN MD

TRUSTEE OF ALTA BATES SUMMIT MEDICAL CENTER (ABSMC), IS ALSO A LESS THAN
5% SHAREHOLDER OF BERKELEY PULMONARY CRITICAL CARE MEDICAL CORPORATION
(BPCC). DURING THE YEAR ABSMC HAS A MEDICAL SERVICES CONTRACT WITH BPCC
VIA AN ARMS-LENGTH AGREEMENT.

LOUIS KOMARMY MD

TRUSTEE OF ALTA BATES SUMMIT MEDICAL CENTER (ABSMC) IS ALSO A GREATER
THAN 5% SHAREHOLDER OF ALTA EAST BAY PATHOLOGY MEDICAL CORPORATION
(AEBP). DURING THE YEAR AEBP HAS A MEDICAL SERVICES CONTRACT WITH ABSMC
VIA AN ARMS-LENGTH AGREEMENT.

FREDRIC HERSKOWITZ MD

SPOUSE OF FREDRIC HERSKOWITZ MD, WHO IS TRUSTEE OF ALTA BATES SUMMIT
MEDICAL CENTER, IS EMPLOYED AS A "PER DIEM" EMPLOYEE OF ABSMC.

**SCHEDULE R
(Form 990)**

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ See separate instructions.

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Name of the organization

SUTTER EAST BAY HOSPITALS

Employer identification number

94-1196176

Part I Identification of Disregarded Entities

(A) Name, address, and EIN of disregarded entity	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Total income	(E) End-of-year assets	(F) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Exempt Code section	(E) Public charity status (if section 501(c)(3))	(F) Direct controlling entity
<u>SEE SCHEDULE R-1</u>					

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2008

Part III Identification of Related Organizations Taxable as a Partnership

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Predominant income (related, investment, unrelated)	(F) Share of total income	(G) Share of end-of-year assets	(H) Disproportionate allocations?		(I) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(J) General or managing partner?	
							Yes	No		Yes	No
MAGNETIC IMAGING AF 94-2953833 175 LENNON LANE STE 100	PATIENT CARE	CA	N/A	RELATED	2,052,600	2,489,235		X		X	
SURG CTR OF ABSMC 47-0946086 3875 TELEGRAPH AVE	OUTPATIENT SURG	CA	N/A	RELATED	4,167,072	4,167,941		X		X	
ALTA CT SERVICES LP 94-3083464 175 LENNON LANE, SUITE 100	PATIENT CARE	CA	N/A	RELATED	1,009,757	940,498		X		X	

Part IV Identification of Related Organizations Taxable as a Corporation or Trust

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Type of entity (C corp, S corp, or trust)	(F) Share of total income	(G) Share of end-of-year assets	(H) Percentage ownership
SUTTER CONNECT 68-0209157 10470 OLD PLACERVILLE ROAD SACRAMENTO, CA 95827	HEALTH CARE ADMIN	CA	SUTTER HEALTH	NONPROFIT CORP			
HEALTH VENTURES INC 94-2918780 350 HAWTHORNE ST OAKLAND, CA 94609	HEALTH SERVICES	CA	SUTTER SBH	C CORP	6,502,317	4,268,376	100.0000

Part V Transactions With Related Organizations**Note.** Complete line 1 if any entity is listed in Parts II, III, or IV.**1** During the tax year did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

	Yes	No
a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity	X	
b Gift, grant, or capital contribution to other organization(s)	X	
c Gift, grant, or capital contribution from other organization(s)	X	
d Loans or loan guarantees to or for other organization(s)		X
e Loans or loan guarantees by other organization(s)		X
f Sale of assets to other organization(s)		X
g Purchase of assets from other organization(s)		X
h Exchange of assets	X	
i Lease of facilities, equipment, or other assets to other organization(s)		X
j Lease of facilities, equipment, or other assets from other organization(s)	X	
k Performance of services or membership or fundraising solicitations for other organization(s)	X	
l Performance of services or membership or fundraising solicitations by other organization(s)	X	
m Sharing of facilities, equipment, mailing lists, or other assets		X
n Sharing of paid employees	X	
o Reimbursement paid to other organization for expenses	X	
p Reimbursement paid by other organization for expenses	X	
q Other transfer of cash or property to other organization(s)		X
r Other transfer of cash or property from other organization(s)	X	

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(A) Name of other organization(s)	(B) Transaction type (a-r)	(C) Amount involved
(1) SEE SCHEDULE R-1		
(2)		
(3)		
(4)		
(5)		
(6)		

Part VI Unrelated Organizations Taxable as a Partnership

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

[illegible]

Part II Continuation of Identification of Related Tax-Exempt Organizations

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Exempt Code section	(E) Public charity status (if section 501(c)(3))	(F) Direct controlling entity
ADOLESCENT TREATMENT CENTERS, INC. 68-0088443 390 40TH STREET OAKLAND, CA 94609	HOSPITAL	CA	501(C)(3)	3	SUTTER EBH
ALTA BATES SUMMIT FOUNDATION 51-0160184 2855 TELEGRAPH AVE #601 BERKELEY, CA 94705	FUNDRAISING	CA	501(C)(3)	11A	SUTTER EBH
SUTTER EAST BAY HOSPITALS 94-1196176 2450 ASHBY AVE BERKELEY, CA 94705	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER WEST BAY HOSPITALS 94-0562680 2333 BUCHANAN STREET SAN FRANCISCO, CA 94115	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
CALIFORNIA PACIFIC MEDICAL CTR FOUND. 94-2728423 1255 POST ST #700 SAN FRANCISCO, CA 94109	FUNDRAISING	CA	501(C)(3)	11A	SUTTER WBH
DELTA MEMORIAL HOSPITAL FOUNDATION 94-2417022 3901 LONE TREE WAY ANTIOCH, CA 94509	FUNDRAISING	CA	501(C)(3)	11A	SUTTER DELT
EAST BAY PERINATAL CENTER 51-0172285 350 HAWTHORNE AVE OAKLAND, CA 94609	HOSPITAL	CA	501(C)(3)	3	SUTTER EBH
EDEN MEDICAL CENTER 94-2948100 20103 LAKE CHABOT ROAD CASTRO VALLEY, CA 94546	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
MARIN COMMUNITY HEALTH 94-2994751 250 BON AIRE ROAD GREENBRAE, CA 94904	SUPPORTING O	CA	501(C)(3)	11B	SUTTER HLTH
MARIN GENERAL HOSPITAL 94-2823538 250 BON AIRE ROAD GREENBRAE, CA 94904	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
MEMORIAL HOSPITAL LOS BANOS 94-1551464 520 W I STREET LOS BANOS, CA 93635	HOSPITAL	CA	501(C)(3)	3	SUTTER CVH
SUTTER CENTRAL VALLEY HOSPITALS 94-1080917 1700 COFFEE ROAD MODESTO, CA 95355	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
MILLS-PENINSULA HEALTH SERVICES 94-1156265 1501 TROUSDALE DRIVE BURLINGAME, CA 94010	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
MILLS-PENINSULA HOSPITAL FOUNDATION 23-7288765 1501 TROUSDALE DRIVE BURLINGAME, CA 94010	FUNDRAISING	CA	501(C)(3)	11A	MPHS
MILLS-PENINSULA SENIOR FOCUS 94-2663918 1720 EL CAMINO REAL BURLINGAME, CA 94010	HEALTH CARE	CA	501(C)(3)	9	MPHS

Part II Continuation of Identification of Related Tax-Exempt Organizations

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Exempt Code section	(E) Public charity status (if section 501(c)(3))	(F) Direct controlling entity
PALO ALTO MEDICAL FOUNDATION 94-1156581 2350 EL CAMINO REAL MOUNTAIN VIEW, CA 94040	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
PALO ALTO MEDICAL FOUNDATION HOSPITAL CO 94-2206441 570 WILLOW ROAD MENLO PARK, CA 94025	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER WEST BAY MEDICAL FOUNDATION 94-2948131 1700 CALIFORNIA STREET #530 SAN FRANCISCO, CA 94109	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SAMUEL MERRITT UNIVERSITY 94-2992642 450 30TH STREET # 2840 OAKLAND, CA 94609	UNIVERSITY	CA	501(C)(3)	2	SUTTER EBH
ST. LUKE'S HEALTH CARE CENTER 51-0201241 3555 CAESAR CHAVEZ STREET SAN FRANCISCO, CA 94110	HOSPITAL	CA	501(C)(3)	3	SUTTER WBH
SUTTER AMADOR HOSPITAL 68-0291072 200 MISSION BLVD. JACKSON, CA 95642	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER AUBURN FAITH HOSPITAL FOUNDATION 94-2594966 11815 EDUCATION ST. AUBURN, CA 95602	FUNDRAISING	CA	501(C)(3)	7	SUTTER SSR
SUTTER COAST HOSPITAL 94-2988520 800 E WASHINGTON BLVD. CRESCENT CITY, CA 95531	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER DAVIS HOSPITAL FOUNDATION 68-0217870 2000 SUTTER PLACE DAVIS, CA 95616	FUNDRAISING	CA	501(C)(3)	11A	SUTTER SSR
SUTTER DELTA MEDICAL CENTER 94-1552887 3901 LONE TREE WAY ANTIOCH, CA 94509	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER EAST BAY MEDICAL FOUNDATION 94-2690415 3687 MT. DIABLO BLVD., #200 LAFAYETTE, CA 94549	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER GOULD MEDICAL FOUNDATION 94-1682256 600 COFFEE ROAD MODESTO, CA 95355	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER HEALTH 94-2788907 2200 RIVER PLAZA DRIVE SACRAMENTO, CA 95833	SUPPORTING OCA	CA	501(C)(3)	11C	NA
SUTTER HEALTH PACIFIC 99-0298651 91-2301 FT. WEAVER RD. EWA BEACH, HI, HI 96706	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER HEALTH SACRAMENTO SIERRA REGION 94-1156621 2800 L STREET, 7TH FLOOR SACRAMENTO, CA 95816	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH

Part II Continuation of Identification of Related Tax-Exempt Organizations

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Exempt Code section	(E) Public charity status (if section 501(c)(3))	(F) Direct controlling entity
SUTTER INSURANCE SERVICES CORPORATION 99-0289310 745 FORT STREET, SUITE 800 HONOLULU, HI, CA 96813	INSURANCE SE HI		501(C)(3)	11B	SUTTER HLTH
SUTTER LAKESIDE HOSPITAL 94-1628356 5176 HILL ROAD EAST LAKEPORT, CA 95453	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER MARIN 51-0206463 180 ROWLAND WAY NOVATO, CA 94945	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER MATERNITY SURGERY CTR SANTA CRUZ 68-0279954 2900 CHANTICLEER AVE SANTA CRUZ, CA 95065	HOSPITAL	CA	501(C)(3)	3	PAMF
SUTTER MEDICAL CENTER FOUNDATION 94-2788906 20130 LAKE CHABOT RD, #103 CASTRO VALLEY, CA 94546	FUNDRAISING	CA	501(C)(3)	7	SUTTER HLTH
SUTTER MEDICAL CENTER OF CASTRO VALLY 77-0146047 2800 L STREET, #620 SACRAMENTO, CA 95816	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER MEDICAL CENTER OF SANTA ROSA 68-0374805 3325 CHANATE RD SANTA ROSA, CA 95404	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER MEDICAL FOUNDATION 68-0273974 2800 L STREET, 7TH FLOOR SACRAMENTO, CA 95816	HEALTH CARE	CA	501(C)(3)	11B	SUTTER HLTH
SUTTER NORTH MEDICAL FOUNDATION 94-1080019 969 PLUMAS STREET #205 YUBA CITY, CA 95991	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER REGIONAL MEDICAL FOUNDATION 20-0078199 2720 LOW COURT FAIRFIELD, CA 94534	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER ROSEVILLE MEDICAL CTR FOUNDATION 68-0040113 ONE MEDICAL PLAZA ROSEVILLE, CA 95661	FUNDRAISING	CA	501(C)(3)	11A	SUTTER SSR
SUTTER SOLANO CHARITABLE FOUNDATION 94-2668262 300 HOSPITAL DRIVE VALLEJO, CA 94589	FUNDRAISING	CA	501(C)(3)	11A	SUTTER SOLA
SUTTER SOLANO MEDICAL CENTER 94-1241942 300 HOSPITAL DRIVE VALLEJO, CA 94589	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER TRACY COMMUNITY HOSPITAL 94-1196220 1420 N. TRACY BLVD. TRACY, CA 95376	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER VISITING NURSE ASSOC AND HOSPICE 94-6068843 1900 POWELL ST., #300 EMERYVILLE, CA 94608	HEALTH CARE	CA	501(C)(3)	9	SUTTER HLTH

Part 10

[illegible]

Park IV

[illegible]

Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(A) Name of other organization	(B) Transaction type (a-r)	(C) Amount involved
(7) ADOLESCENT TREATMENT CENTER, INC.	N	71,541.
(8) ADOLESCENT TREATMENT CENTER, INC.	A	132,602.
(9) ADOLESCENT TREATMENT CENTER, INC.	H	850,000.
(10) ALTA BATES SUMMIT FOUNDATION	N	84,000.
(11) ALTA BATES SUMMIT FOUNDATION	C	10,265,165.
(12) ALTA BATES SUMMIT FOUNDATION	H	3,091,533.
(13) ALTA CT SERVICES, A CALIFORNIA LP	R	1,273,226.
(14) EAST BAY PERINATAL CENTER	N	48,000.
(15) EAST BAY PERINATAL CENTER	A	194,832.
(16) EAST BAY PERINATAL CENTER	H	2,050,000.
(17) HEALTH VENTURES, INC.	A	23,029.
(18) HEALTH VENTURES, INC.	N	11,968,928.
(19) MAGNETIC IMAGING AFFILIATES, A CALIFORNIA LP	R	1,973,391.
(20) SAMUEL MERRITT UNIVERSITY	N	34,795.
(21) SAMUEL MERRITT UNIVERSITY	H	738,996.
(22) THE SURGERY CENTER OF ABSMC, LLC	R	2,378,650.
(23) THE SURGERY CENTER OF ABSMC, LLC	N	25,200.
(24)		

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS
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NAME AND ADDRESS -----	DESCRIPTION OF SERVICES	COMPENSATION -----
ADVANCED CLINICAL EMPLOYMENT 28276 STARE HWY 75 ONEOTA, AL 35121	MEDICAL SERVICES	16,220,760.
EAST BAY PERINATAL MED ASSOC 350 30TH STREET STE 208 OAKLAND, CA 94609	MEDICAL SERVICES	6,000,322.
ALLIED BARTON SECURITY SVC PO BOX 828854 PHILADELPHIA, PA 19182-8854	SECURITY SERVICE	4,815,244.
PARKING CO OF AMERICA MGMT LLC 11101 LAKEWOOD BLVD DOWNEY, CA 90241	PARKING SERVICES	4,053,438.
HRN SERVICES INC 8383 WILSHIRE BLVD BEVERLY HILLS, CA 90211	MEDICAL SERVICES	3,232,659.
TOTAL COMPENSATION		----- 34,322,423. =====

FORM 990, PART X - SECURED MORTGAGES AND NOTES PAYABLE
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LENDER: FESEAS INVESTMENTS CAPITAL LEASE
ORIGINAL AMOUNT: 650,000.
INTEREST RATE: 12.800000
DATE OF NOTE: 08/01/1984
MATURITY DATE: 07/01/2009
REPAYMENT TERMS: MONTHLY PRINCIPAL & INTEREST
SECURITY PROVIDED: BUILDING
PURPOSE OF LOAN: LEASE BUILDING

BEGINNING BALANCE DUE	131,545.
ENDING BALANCE DUE	51,830.

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TOTAL BEGINNING MORTGAGES AND OTHER NOTES PAYABLE	131,545.
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TOTAL ENDING MORTGAGES AND OTHER NOTES PAYABLE	51,830.
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